



SIMPLIFIED IEE AMENDMENT

ACTIVITY DATA

Project/Activity Name:	IRAQ MENA II
Geographic Location(s) (Country/Region):	Iraq
Amendment (Yes/No), if Yes indicate # (1, 2...):	Yes, Amendment 2 to the IEE
Implementation Start/End Dates (FY or M/D/Y):	FY 2014 - 2023
If Amended, specify New End Date:	September 30, 2023
Award Type	Cooperative Agreement
Award Number(s):	AID-OAA-A-14-00076
Implementing Partner(s):	The Shell Foundation (in collaboration with GroFin)
Bureau Tracking ID:	ME 21-37
Tracking ID of Related RCE/IEE:	ME 18-81 (AMD 1); ME 14-104 (IEE)
Tracking ID of Other, Related Analyses:	

ORGANIZATIONAL/ADMINISTRATIVE DATA

Implementing Operating Unit(s):	USAID/Iraq
Other Affected Operating Unit(s):	ME/TS
Lead BEO Bureau:	Middle East
Funding Operating Unit(s):	USAID/Iraq
Funding Account(s) (if available):	
Original Funding Amount:	\$30,000,000 (TEC)
If Amended, specify funding amount:	\$1,500,000 (incremental funding)
If Amended, specify new funding total:	
Date Prepared:	May 13, 2021

ENVIRONMENTAL COMPLIANCE REVIEW DATA

Analysis Type:	<input checked="" type="checkbox"/> Initial Environmental Examination Amendment <input type="checkbox"/> Request for Categorical Exclusion Amendment
Environmental Determination(s):	<input type="checkbox"/> Categorical Exclusion(s) <input checked="" type="checkbox"/> Negative <input type="checkbox"/> Positive <input type="checkbox"/> Deferred (per 22 CFR 216.3(a)(7)(iv))
IEE Expiration Date (if applicable):	December 2023
Additional Analyses/Reporting Required:	Annual Reporting
Climate Risks Identified (#):	Low ___ # ___ Moderate ___ 1 ___ High ___ # ___
Climate Risks Addressed (#):	Low ___ # ___ Moderate ___ 1 ___ High ___ # ___

1.0 ACTIVITY DESCRIPTION

Through a cooperative agreement with the Shell Foundation, USAID is providing assistance to small and medium enterprises in Iraq.

The IRAQ MENA II grant to the Shell Foundation offers USAID an opportunity to continue supporting entrepreneurs in Iraq by capitalizing a fund that makes equity investments based on the viability of a business and not the availability of collateral or other factors which often constrain businesses from obtaining capital investment. The additional obligated funds, covered under this amendment, may be used, according to the Shell Foundation, in part to finance SMEs that are responding to the impacts of COVID and/or SMEs in sectors which are helping Iraq to address the challenge of climate change.

2.0 PURPOSE OF THE AMENDMENT

The purpose of this amendment is to update the compliance record for IRAQ MENA II, and extend the threshold determination and required mitigation measures through 30 September 2023. Previous compliance documents covered through December 2019. The funding ceiling remains unchanged at \$30,000,000.

This amendment also updates the record pertaining to ADS 201mal which was not part of the original 2014 IEE or the 2018 IEE Amendment. The award was in place prior to ADS 201mal requirements, nonetheless, climate risk screening is incorporated into operations through an Environmental and Social Management Framework (ESG). The regional Climate Integration Lead reviewed the environmental and social screening tools utilized by the Implementing Partner and determined that both climate risks, and potential impacts of greenhouse gas emissions were sufficiently screened and addressed. Overall, given the scope and nature of the award, an overall Climate Risk rating of Moderate has been determined appropriate for MENA II Iraq.

2.0 CERTIFICATION OF COMPLIANCE

- The COR and Middle East BEO reviewed documentation from The Shell Foundation and GroFin to assess the status of compliance with the mitigation measures required pursuant to the Negative Threshold Determination of the original IEE. As of May 2021, MENA II Iraq was in full compliance with environmental requirements. GroFin has a comprehensive framework for Environmental, Social and Management (ESG) Framework which is applied across all funds under management.
- Climate Risk Management, while not covered in the original IEE, is incorporated into the due diligence screening implemented by The Shell Foundation and GroFin.

3.0 REVISIONS


Per 22 CFR 216.3(a)(9), when ongoing programs are revised to incorporate a change in scope or nature, a determination will be made as to whether such change may have an environmental impact not previously assessed. If so, this environmental analysis will be amended to cover the changes. Per ADS 204, it is the responsibility of the USAID A/COR to keep the MEO/REA and

BEO informed of any new information or changes in the activity that might require revision of this amendment and environmental determination.

USAID APPROVAL OF IEE AMENDMENT #2

PROJECT/ACTIVITY NAME: IRAQ MENA II

Bureau Tracking ID: ME 21-37

Approval:	<u>Cleared</u> John Cardenas, Mission Director	<u>5/20/21</u> Date
Clearance:	<u>Cleared</u> Patricia Orlowitz, Activity Planner	<u>5/14/2021</u> Date
Clearance:	<u>Tom Pope</u> Thomas Pope, SGEO Director	<u> </u> Date:
Clearance:	<u>Cleared</u> Vladan Raznatovic, Mission Environmental Officer	<u>5/14/2021</u> Date
Clearance:	<u>Cleared by email</u> Christopher Frey, Regional Environmental Advisor	<u>5/18/2021</u> Date
Clearance:	<u>Cleared</u> Denise Lamaute, ME/TS AOR	<u> </u> Date
Clearance:	<u>Cleared</u> Dilshika Jayamaha, Acting Program Office Director	<u>05/14/2021</u> Date
Clearance:	<u>Cleared- CK</u> Chris Krafchak, RLO covering for Michael Behan, RLO	<u>5/19/21</u> Date
Clearance:	<u>Cleared by email</u> Thomas Pope, Acting Deputy Mission Director	<u>5/19/2021</u> Date
Concurrence:	 Jeffery Ploetz, ME Bureau Environmental Officer	<u>5/20/21</u> Date

DISTRIBUTION: Award file, Environmental Compliance Database